

BASE ORDER 12432.2

From: Commanding General
To: Distribution List

Subj: Reassignment, Reduction in Grade and Termination Based on Unsatisfactory Work Performance for Nonappropriated Fund Employees

Ref: (a) SECNAVINST 5300.22A (NOTAL)
(b) Negotiated Agreement with AFGE, Local 2065
(c) Marine Corps Nonappropriated Fund Work Performance Appraisal

Encl: (1) Guidelines for Letter of Caution

1. Purpose. To establish policies and procedures in accordance with reference (a) relative to unsatisfactory work performance of Nonappropriated Fund (NAF) employees of the organizations serviced by the NAF Personnel Office.

2. Policy. NAF employees whose performance deteriorates to an unsatisfactory level will be counseled and advised what job requirement(s) they are failing to meet. If an employee fails to meet the performance requirements of the job, the employee, in accordance with reference (a), may be reassigned, demoted or terminated.

3. Definitions

a. "Days" means calendar days.

b. "Opportunity to demonstrate satisfactory performance" means a chance for the employee to meet minimum performance requirements of the position held.

c. "Reasonable time" means a period of time of at least 30 days, but not more than 90 days, in which the employee will be given the opportunity to demonstrate satisfactory performance or show sufficient improvement to warrant continued employment.

d. "Demotion" means the involuntary assignment of an employee to a position at a lower classification or lower grade level.

e. "Termination" is an action which involves absolute separation. Thus, it covers all separations except military separations and military furloughs of employees who are guaranteed restoration rights by law.

f. "Senior Command Official" means Commanding General, Marine Corps Base, Camp Lejeune, or in his absence, the military officer designated to succeed to the position of command.

4. Coverage. This Order applies to all NAF employees of the following Nonappropriated Fund Instrumentalities (NAFI's):

- a. Special Services.
- b. Command Club Management System.
- c. Marine Corps Exchange.
- d. NAF Personnel Office.
- e. Morale Administrative Support Division.

5. Exclusions. The following actions are excluded from coverage of this Order:

- a. An action initiated under authority of Special Counsel (5 USC 1206).
- b. An action taken in the interest of national security (5 USC 7532).
- c. An action taken under a provision of statute, other than one codified in 5 USC, which excepts the action from the provisions of 5 USC.
- d. A reduction-in-force action.
- e. A voluntary action initiated by the employee.
- f. An adverse action for cause.
- g. An action which terminates a temporary promotion within a maximum of one year and returns the employee to the position from which the employee was temporarily promoted, or reassigns or demotes the employee to a different position that is not at a lower grade or pay than the position from which the employee was temporarily promoted.
- h. An involuntary retirement because of disability.
- i. A termination in accordance with terms specified at the time the appointment was made.
- j. A reduction to the grade previously held by a supervisor or manager who has not satisfactorily completed the supervisory or managerial probationary period.
- k. The reduction in grade or removal of an employee who is serving a probationary period.

6. Delegation of Authority. NAFI Heads shall delegate in writing to subordinate supervisors/managers the authority to issue letters of caution. Copies of authorizations will be provided the NAF Personnel Officer.

7. Unsatisfactory Work Performance

a. General. There is no general or universal definition or standard for what constitutes unsatisfactory work performance. To a large degree, it is based upon the informed judgement of the rating official. That judgement should be based on factual evidence, and if possible, on measured data including expected standards of performance and actual results. The factors on which the employee is being evaluated, as indicated on reference (c), and the basis on which any unsatisfactory rating is given, must be job related, (i.e., quantity of work, quality of work, reliability, knowledge, failure to meet assigned goals, etc.). Unsatisfactory work performance could also eventually result from cases wherein an employee's length and/or frequency of absences, even if approved, disrupt the normal work process and impede the accomplishment of work on a reasonably continuous and regular basis. Other types of instances could occur which would eventually lead to unsatisfactory work performance. No set of procedures could be developed to cover all possible situations. The rating official and the head of the NAFI must take action based on an informed judgement and on the concept that initial actions should be directed toward correcting the basic cause of the unsatisfactory performance.

b. Except in those instances of negligence or actions endangering health, or NAFI property or funds, no regular full-time or part-time, nonprobationary employee shall be terminated or have any other disciplinary action taken for unsatisfactory work performance until the employee has been counseled and given a letter of caution.

c. Letter of Caution

(1) A letter of caution is an official document reflecting an official action on the part of management. A letter of caution is a nondisciplinary, nonadverse action intended to make the employee aware of the seriousness of failing to perform at a satisfactory level. A letter of caution is not grievable under the provisions

(2) A letter of caution will not be issued until counseling has failed to produce the desired result.

(a) When a letter of caution is considered appropriate, the person authorized to issue letters of caution will forward documentation to support the issuance of the letter (record of counseling, special work performance appraisal, etc.) to the NAF Personnel Officer. The letter will then be prepared and returned to the issuing official for signature and issuance to the employee.

(b) If the documentation submitted is not considered sufficient by the Supervisory Employee Relations and Development Specialist, it will be returned to its originator for additional information.

(c) When a letter of caution is to be issued, the following must be contained in the documentation:

1. The job requirements the employee is failing to meet.

2. What improvement in performance is expected of the employee.

3. Dates when the employee was counseled concerning unsatisfactory work performance and what assistance the supervisor will give the employee in correcting the unsatisfactory performance.

4. A recommendation as to the length of the trial period (30 to 90 days) for the employee to demonstrate satisfactory performance.

(3) A letter of caution will:

(a) Establish a definite trial period of reasonable duration of not less than 30 calendar days nor more than 90 calendar days during which time the employee must demonstrate satisfactory performance or show sufficient improvement to warrant continued employment. During the trial period established by the letter of caution, the employee will be provided Special Work Performance Appraisal Reports (no less than 30 days) regarding the progress of the employee.

(b) State what job requirements the employee is failing to meet.

(c) State what reasonable assistance will be given by the employee's supervisor.

(d) State that improvement must be sustained.

(e) State that if sufficient improvement is not made, appropriate action will be initiated to reassign, demote or terminate the employee.

d. Trial Period Established by a Letter of Caution

(1) If, during the trial period, the employee's performance meets standards established in the letter of caution, the employee will be notified in writing. This written notification will contain a paragraph advising the employee that similar deficiencies in performance in the same job occurring within a one-year period may result in a letter of advance notice of proposed disciplinary action without the issuance of another letter of caution and without the requirement of establishing another trial period.

(2) If the employee does not show sufficient improvement during the trial period, the employee will be given a notice of the decision to reassign, demote or terminate. No advance notice of proposed disciplinary action is required because the letter of caution served that purpose.

(a) Notices of decisions to reassign, demote or terminate will be prepared by the NAF Personnel Office to ensure they conform with prescribed rules and regulations. Upon request of the NAFI Head or individual authorized to propose such actions, the notice of proposed action will be prepared and sent to the NAFI Head or other authorized official for issuance.

(b) The action will be reassignment, demotion or termination. Depending upon the action imposed, the employee may grieve or appeal the action in accordance with the provisions of references (a) and (b).

(c) No regular full-time or regular part-time employee will be terminated because of work performance until a letter of caution has been issued.

(3) If the action being taken is reassignment or demotion, the letter of notification of action will contain a paragraph advising the employee that similar deficiencies in performance occurring within a one-year period may result in a letter of advance notice of proposed disciplinary action. It will not be necessary to issue another letter of caution nor establish another trial period.

e. Filing Requirements

(1) If the employee's performance during the trial period is satisfactory, or if the action taken is reassignment, a copy of the notification with the copy of the letter of caution will be retained by the NAF Personnel Office for a period of one year from the end of the trial period.

(2) If disciplinary action taken is demotion or termination, a copy of the notice of decision with a copy of the letter of caution will be filed and retained in the Official Personnel Folder.

f. A periodic step increase withheld following a determination of unsatisfactory work performance substantiated by a letter of caution may subsequently be awarded if the employee's performance improves to a satisfactory level. Additional compensation for the period during which the step increase was withheld is not authorized.

8. Records

a. When an action is effected, all relevant documentation concerning a reassignment, reduction in grade, or termination based on unsatisfactory performance will be available for review by the affected employee and the employee's representative. The NAF Personnel Office will maintain a record which at a minimum will contain copies of:

(1) Letter of caution and any documentation in support thereof.

(2) Notice of proposed disciplinary action.

(3) The employee's written answer, if any.

(4) A summary of the employee's oral reply, if one was made.


(5) Any supporting material including documentation regarding the opportunity afforded the employee to demonstrate acceptable performance.

(6) Investigation report if an investigation was conducted.

b. The record shall be maintained a minimum of one year or until any grievance arising from an action under this Order is finally adjudicated.

9. Miscellaneous Problems. Questions and problems that may arise in applying the provisions of this Order should be referred to the NAF Personnel Office, extension 2366.

10. Action. All organizations serviced by the NAF Personnel Office shall comply with the instructions contained herein. NAFI Heads will ensure that all subordinate managers and supervisors (military and civilian) are thoroughly familiar with the contents of this Order and that the Order is made available to employees upon request.


R. L. FORMANEK
Chief of Staff

DISTRIBUTION: X plus
CPD (25)
AC/S,SpecSvcs (50)
NFPO (50)
MCX (150)
CCMS (30)
MASD (20)

SAMPLE LETTER OF CAUTION

From: (Person Authorized to Issue Letters of Caution)
To: (Name, Social Security Number, Activity)

Subj: LETTER OF CAUTION

Ref: (a) SpecWorkPerfApp dtd
(b) BO

1. By reference (a) your supervisor has reported that your performance of duty is unsatisfactory in the category of loyalty. This marking resulted from your frequent tardiness and an instance of unauthorized absence. It was reported that you have been tardy on five occasions and have had one instance of unauthorized absence since 25 March 1984 as outlined below:

a. 25 March 1984	20 minutes tardy
b. 2 May 1984	15 minutes tardy
c. 9 May 1984	15 minutes tardy
d. 22 May 1984	10 minutes tardy
e. 31 May 1984	15 minutes tardy
f. 12 June 1984	unauthorized absence

2. Although the periods of tardiness do not seem of long duration and the unauthorized absence is singular, each instance represents an occasion when the work planned by your supervisor did not start on time, and your fellow employees had to "take up the slack" because of your absence.

3. You have been counselled on each of the above mentioned occasions as to the importance of being punctual when reporting to work. You have apparently chosen to ignore this counsel. Therefore, in accordance with the provisions of reference (b), you are hereby cautioned and you are given a ___-day trial period in which to improve your punctuality and attendance. Punctuality in this instance means being at your work station ready to begin work at the time scheduled by your supervisor. Should you need additional instructions, your supervisor will explain what is expected of you. During this ___-day trial period, you must demonstrate satisfactory performance or show sufficient improvement to warrant your continued employment.

4. By copy hereof, (person who normally assigns performance ratings) is instructed to submit Special Work Performance Appraisals on you for the periods ending on _____, _____ and _____. (Special Performance Appraisals should be submitted on a monthly basis.) The marks attained by you on these reports will determine further action in your case. You will be required to show sustained improvement to preclude your being subject to reassignment, demotion or termination. If you do not show sufficient improvement during this trial period, you will be issued a Notice of Reassignment, Demotion or Termination without advance notice as this Letter of Caution serves that purpose.

5. This letter is not grievable and will not be made a part of your Official Personnel Folder.

/s/

Copy to:
NAF Personnel Officer
(NAFI Head)
(Person authorized to assign Performance Appraisals)

Date _____ Sign _____
(Date, sign and return to NAF Personnel Office)

GUIDELINES FOR LETTER OF CAUTION

1. A Letter of Caution will:

a. Establish a definite trial period of reasonable duration of not less than 30 calendar days nor more than 90 calendar days during which time the employee must demonstrate satisfactory performance or show sufficient improvement to warrant continued employment.

b. State what job requirements the employee is failing to meet.

c. State what the employee must do in order to achieve a satisfactory level of performance.

d. State what reasonable assistance will be given to the employee by the supervisor.

e. State that improvement must be sustained.

f. State that if sufficient improvement is not attained, disciplinary action up to termination may be taken.